

By: Deshotel

H.J.R. No. 26

A JOINT RESOLUTION

1 proposing a constitutional amendment to authorize the operation of  
2 casino gaming in certain state coastal areas to provide additional  
3 money for residual windstorm insurance coverage and catastrophic  
4 flooding assistance in those areas and to authorize the Kickapoo  
5 Traditional Tribe of Texas to conduct casino gaming by executing a  
6 gaming compact with this state; providing for occupational  
7 licensing; authorizing fees; limiting certain taxes and fees.

8 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

9 SECTION 1. Section 47(a), Article III, Texas Constitution,  
10 is amended to read as follows:

11 (a) The Legislature shall pass laws prohibiting lotteries  
12 and gift enterprises in this State other than those authorized by  
13 Subsections (b), (d), (d-1), and (e) of this section and by Sections  
14 47a and 47b of this article.

15 SECTION 2. Article III, Texas Constitution, is amended by  
16 adding Sections 47a and 47b to read as follows:

17 Sec. 47a. (a) The legislature by general law in accordance  
18 with this section shall authorize the operation of casino gaming in  
19 this state in which individuals for consideration play games of  
20 chance that award prizes and are operated by persons licensed or  
21 otherwise authorized by this state to conduct casino gaming to  
22 provide additional money for residual windstorm insurance coverage  
23 and catastrophic flooding assistance in this state's coastal areas.  
24 A general law enacted in accordance with this section must:

1           (1) allow casino gaming operated by appropriately  
2 licensed persons at not more than nine licensed locations in this  
3 state that are within 200 miles of the Gulf of Mexico;

4           (2) provide:

5                 (A) a comprehensive licensing and certification  
6 program, including necessary criminal background investigations  
7 and licensing and certification fees, to govern a person that  
8 manages casino gaming operations in this state, that acts as a  
9 gaming employee, or that maintains, manufactures, distributes,  
10 sells, or leases casino games for use or play in this state;

11                 (B) procedures for the state agency responsible  
12 for conducting criminal background investigations for the state to  
13 provide criminal background information to the state agency  
14 responsible for licensing and certification under Paragraph (A) of  
15 this subdivision; and

16                 (C) procedures for monitoring and inspecting  
17 casino gaming operations as necessary to protect the public health,  
18 welfare, and safety, to preserve the integrity of this state and  
19 gaming operations in the state, and to prevent financial loss to  
20 this state; and

21           (3) prohibit and impose criminal penalties for the  
22 possession and operation of all gaming devices other than devices  
23 operated in connection with authorized casino gaming operations or  
24 gaming devices otherwise authorized by state law, including a  
25 compact executed in accordance with Section 47b of this article.

26           (b) In the general law enacted in accordance with Subsection  
27 (a) of this section, the legislature may designate the counties in

1 which a casino gaming operator's license may be issued.

2 (c) All shipments of casino gaming equipment or other gaming  
3 devices into, out of, or within this state authorized under this  
4 section or a law enacted under this section are legal shipments of  
5 the devices and are exempt from the provisions of 15 U.S.C. Sections  
6 1171-1178 prohibiting the transportation of gambling devices.

7 Sec. 47b. (a) The chairman of the federally recognized  
8 Kickapoo Traditional Tribe of Texas may execute a compact  
9 containing the terms set forth in Subsection (c) of this section on  
10 receipt of a duly enacted resolution of the governing body of the  
11 tribe authorizing the chairman to execute the compact and on  
12 provision of a copy of the resolution to the governor. The governor  
13 or this state is not required to take any further action before the  
14 compact becomes effective. The executed compact constitutes a  
15 gaming compact between this state and the tribe for purposes of the  
16 federal Indian Gaming Regulatory Act (Pub. L. No. 100-497). The  
17 tribe is responsible for:

18 (1) providing a copy of the executed compact to the  
19 governor; and

20 (2) submitting a copy of the executed compact to the  
21 United States secretary of the interior for approval and  
22 publication in the Federal Register.

23 (b) If, after January 1, 2022, the state by general law or  
24 constitutional amendment authorizes video lottery terminals, slot  
25 machines, or other forms of gaming not otherwise authorized before  
26 that date within 200 miles of the boundary of the Kickapoo  
27 Traditional Tribe's reservation near Eagle Pass, Texas, the tribe

1 is authorized to offer at a location designated by the tribe the  
2 same types of games or devices as authorized under that law or  
3 amendment. The number of games or devices authorized at the  
4 location is equal to the maximum number of games or devices  
5 authorized under that law or amendment for other gaming locations.  
6 The location must be on land owned or leased by the tribe that is  
7 within 300 miles of the boundary of the Kickapoo Traditional  
8 Tribe's reservation but may not be within 30 miles of a racetrack  
9 that holds a license under state law to conduct pari-mutuel  
10 wagering on horse racing or greyhound racing on the effective date  
11 of the compact executed under Subsection (a) of this section.

12 (c) The tribe and the secretary of state shall regulate the  
13 gaming authorized under Subsection (b) of this section. The  
14 secretary of state may not adopt a rule on gaming conducted by the  
15 tribe that is more restrictive than a rule applicable to other  
16 comparable gaming licensed by this state. A tax or fee may not be  
17 imposed on the tribe in an amount that exceeds the amount of a tax or  
18 fee imposed on the operators of other gaming locations or  
19 facilities in this state.

20 (d) A compact executed under Subsection (a) of this section  
21 must be in the form and contain the provisions as follows:

22 THE KICKAPOO TRADITIONAL TRIBE OF TEXAS AND

23 THE STATE OF TEXAS COMPACT

24 This compact is entered into between the Kickapoo Traditional  
25 Tribe of Texas, a federally recognized Indian Tribe ("Tribe"), and  
26 the State of Texas ("State"), with respect to the operation of  
27 covered games (as defined herein) on the Tribe's Indian lands as

1 defined by Section 4(4), Indian Gaming Regulatory Act (25 U.S.C.  
2 Section 2703(4)).

3 PART I. TITLE

4 This document shall be referred to as "The Kickapoo  
5 Traditional Tribe of Texas and State of Texas Compact."

6 PART II. RECITALS

7 1. The Tribe is a federally recognized tribal government  
8 with sovereign powers and rights of self-government. The Tribe is  
9 the only tribe in the State with gaming rights under the federal  
10 Indian Gaming Regulatory Act (Pub. L. No. 100-497).

11 2. The State is a state of the United States possessing the  
12 sovereign powers and rights of a state.

13 3. The State and the Tribe maintain a  
14 government-to-government relationship, and this compact will  
15 foster mutual respect and understanding between Indians and  
16 non-Indians.

17 4. The Tribe and the State jointly intend to protect the  
18 integrity of gaming regulated under this compact.

19 5. The gaming under this compact will further the purposes  
20 of the Indian Gaming Regulatory Act (Pub. L. No. 100-497) to  
21 promote tribal economic development, self-sufficiency, and strong  
22 tribal government, and will assist the Tribe in funding tribal  
23 programs that provide needed services to the Tribe's members.

24 PART III. DEFINITIONS

25 In this compact:

26 A. "Class III gaming" means the forms of Class III  
27 gaming defined in Section 4(8), Indian Gaming Regulatory Act (25

1 U.S.C. Section 2703(8)), and by the regulations of the National  
2 Indian Gaming Commission.

3 B. "Commission" means the Kickapoo Traditional Tribe  
4 of Texas Tribal Gaming Commission, which is the tribal governmental  
5 agency assigned the authority to carry out the Tribe's regulatory  
6 and oversight responsibilities under this compact.

7 C. "Compact" means this gaming agreement between the  
8 Kickapoo Traditional Tribe of Texas and the State of Texas.

9 D. "Covered game" or "covered gaming activity" means  
10 Class III gaming activities determined to be available to the Tribe  
11 by the United States Department of the Interior, video lottery  
12 terminals, and any game of chance authorized by State law for any  
13 person after the effective date of this compact.

14 E. "Covered game employee" or "covered employee" means  
15 an individual employed and licensed by the Tribe whose  
16 responsibilities include providing services related to the  
17 operation, maintenance, or management of covered games. The term  
18 includes:

- 19 1. managers and assistant managers;
- 20 2. accounting personnel;
- 21 3. commission officers;
- 22 4. surveillance and security personnel;
- 23 5. cashiers, supervisors, and floor personnel;
- 24 6. cage personnel; and
- 25 7. any other employee whose employment duties  
26 require or authorize access to areas of a facility related to the  
27 conduct of a covered game or the technical support or storage of a

1 covered game component.

2 "Covered game employee" or "covered employee" does not  
3 include an elected official of the Tribe who is not directly  
4 involved in the operation, maintenance, or management of a covered  
5 game or covered game component.

6 F. "Document" means a book, a record, an electronic,  
7 magnetic, or computer media document, or another writing or  
8 material. The term includes a copy of any of those documents and  
9 information contained in the document.

10 G. "Effective date" means the date on which the  
11 compact becomes effective under Part XV.A of this compact.

12 H. "Facility" or "facilities" means a building of the  
13 Tribe in which a covered game authorized by this compact is  
14 conducted on the Tribe's Indian lands as defined by the Indian  
15 Gaming Regulatory Act (Pub. L. No. 100-497). Subject to the terms  
16 of this compact, the Tribe has the ultimate responsibility for  
17 ensuring that the operation of each facility conforms to the  
18 requirements of this compact.

19 I. "IGRA" means the Indian Gaming Regulatory Act (Pub.  
20 L. No. 100-497).

21 J. "Net win" means the total receipts, not including  
22 free or promotional credits issued by the Tribe, from the play of  
23 all covered games less all prize payouts and participation fees.

24 K. "Participation fee" means a payment made by the  
25 Tribe to a supplier on a periodic basis for the right to lease or  
26 otherwise offer for play a gaming device not owned by the Tribe for  
27 a covered gaming activity. A participation fee may be a royalty

1 payment or lease payment. The Tribe acknowledges that the Tribe did  
2 not hold an interest in a company that supplies a gaming device on  
3 the date this compact was executed. If the Tribe acquires an  
4 interest in a company that supplies gaming devices, the Tribe may  
5 not deduct from the net win a participation fee for the supplier in  
6 which the Tribe has acquired an interest.

7 L. "Patron" means a person who is on the premises of a  
8 facility or who is entering the Tribe's Indian lands for the purpose  
9 of playing a covered game authorized by this compact.

10 M. "Rules" means rules adopted by the commission to  
11 implement this compact.

12 N. "State" means the State of Texas.

13 O. "State compliance agency" ("SCA") means the office  
14 of the secretary of state or another agency authorized by the  
15 legislature to carry out the State's oversight responsibilities  
16 under this compact.

17 P. "Tribe" means the Kickapoo Traditional Tribe of  
18 Texas.

19 Q. "Video lottery terminal" means an electronic game  
20 of chance connected to a centralized computer system operated by  
21 the Tribe.

22 PART IV. AUTHORIZATION AND LOCATION OF COVERED GAMES

23 The Tribe and State agree that the Tribe is authorized to  
24 operate covered games on the Tribe's Indian lands, as defined in the  
25 IGRA, in accordance with the provisions of this compact.

26 PART V. RULES; MINIMUM REQUIREMENTS

27 A. During the term of this compact, the Tribe is responsible



1 for all duties assigned to the Tribe and the commission under this  
2 compact. The Tribe shall adopt any rules necessary to implement  
3 this compact. Nothing in this compact may be construed to affect  
4 the Tribe's right to amend the Tribe's rules, provided the amendment  
5 is in conformity with this compact. The SCA may propose to the  
6 commission additional rules consistent with the implementation of  
7 this compact, and the commission shall in good faith consider the  
8 proposal and notify the SCA of the Tribe's response or action in  
9 regard to the proposal.

10 B. All facilities must comply with and all covered games  
11 must be operated in accordance with this compact. All facilities  
12 must be operated in strict compliance with tribal internal control  
13 standards that must provide a level of control that equals or  
14 exceeds the minimum internal control standards established by the  
15 National Indian Gaming Commission as the standards existed on the  
16 effective date of this compact, regardless of whether the standards  
17 are subsequently repealed or replaced, or the most recent minimum  
18 internal control standards established by the National Indian  
19 Gaming Commission on the effective date if the National Indian  
20 Gaming Commission does not have any minimum internal control  
21 standards in effect on the effective date.

22 C. The Tribe agrees to maintain the following safeguards  
23 against problem gambling:

24 1. The Tribe will provide a comprehensive training  
25 program to all gaming employees.

26 2. The Tribe will make available to patrons printed  
27 materials that include contact information for organizations

1 dedicated to assisting problem gamblers.

2 3. The commission shall establish a list of the  
3 patrons voluntarily excluded from the Tribe's facilities under Part  
4 V.C.5 of this compact.

5 4. The Tribe shall employ its best efforts to exclude  
6 patrons on the list maintained under Part V.C.3 of this compact.  
7 This compact does not create a cause of action against the State,  
8 the Tribe, the commission, or any other person, entity, or agency  
9 for failing to exclude a patron on the list established under Part  
10 V.C.3 of this compact.

11 5. A patron who believes the patron may be playing a  
12 covered game on a compulsive basis may request that the patron's  
13 name be placed on the list of patrons voluntarily excluded from the  
14 Tribe's facilities.

15 6. All covered game employees shall receive training  
16 to identify a patron who may have a problem with compulsive gambling  
17 and instruct the patron to leave. Signs bearing a toll-free help  
18 line number and educational and informational materials must be  
19 made available at conspicuous locations and ATMs in each facility.  
20 The signs must be designed to prevent problem gaming and must  
21 specify locations at which patrons may receive counseling or  
22 assistance for gambling problems. Nothing in this part of this  
23 compact creates a cause of action or claim against the State, the  
24 Tribe, the commission, or any other person, entity, or agency for  
25 failing to identify a patron or person who is a compulsive gambler  
26 or failing to instruct that person to leave.

27 7. The Tribe shall make diligent efforts to prevent an

1 underage individual from loitering in the area of each facility  
2 where a covered game is conducted.

3 8. The Tribe shall assure that advertising and  
4 marketing of the covered games at the facilities contain a  
5 responsible gambling message and a toll-free help line number for  
6 problem gamblers as practical and that the advertising and  
7 marketing messages do not make any false or misleading claims.

8 D. The State may secure an annual independent financial  
9 audit of the conduct of covered games subject to this compact. The  
10 audit must examine revenues from the conduct of a covered game and  
11 must verify the determination of net win and the basis of, and right  
12 to, the payments made to the State pursuant to Part XI of this  
13 compact and as defined by this compact. A copy of the audit report  
14 for the conduct of a covered game must be submitted to the  
15 commission not later than the 30th day after the date an audit is  
16 completed. A representative of the SCA may, on request, meet with  
17 the Tribe and the Tribe's auditors to discuss an audit or matter in  
18 connection with the audit, provided the discussions are limited to  
19 covered games information. The annual independent financial audit  
20 must be performed by an independent accounting firm with experience  
21 in auditing casino operations, selected by the State and subject to  
22 the Tribe's consent, which may not be unreasonably withheld. The  
23 Tribe shall pay the accounting firm for the costs of the annual  
24 independent financial audit if the Tribe is found not to be in  
25 compliance with this compact.

26 E. A summary of the rules for playing covered games must be  
27 displayed in a facility. A complete set of rules must be available

1 at a facility and provided to a person on request. A copy of the  
2 rules must be provided to the SCA not later than the 30th day after  
3 the date the rules are issued or amended.

4 F. The Tribe shall provide the commission and SCA with a  
5 chart of the supervisory authority of individuals directly  
6 responsible for the conduct of covered games, and shall promptly  
7 notify the commission and the SCA of any material change to the  
8 supervisory authority.

9 G. The Tribe shall continue to maintain a proactive approach  
10 to prevent improper alcohol sales, drunk driving, underage  
11 drinking, and underage gambling that involves extensive staff  
12 training and certification, patron education, and the use of  
13 security personnel and surveillance equipment to enhance patrons'  
14 enjoyment of the facilities and provide for patron safety. Staff  
15 training must include specialized employee training in nonviolent  
16 crisis intervention, driver's license verification, and the  
17 detection of intoxication. Patron education may be accomplished by  
18 printing a notice on a valet parking stub, posting a sign in the  
19 facilities, and publishing brochures. The facilities must have  
20 roving and fixed security officers, along with surveillance  
21 cameras, to assist in the detection of intoxicated patrons,  
22 investigate problems, and engage patrons to de-escalate volatile  
23 situations. This part of this compact does not create a cause of  
24 action or claim against the State, the Tribe, the commission, or any  
25 other person, entity, or agency for failing to fulfill a  
26 requirement of this part.

27 H. A person under 21 years of age may not play a covered game

1 unless state law authorizes the play of the same or similar games by  
2 persons under 21 years of age at locations under the state's  
3 jurisdiction.

4 I. The Tribe and the commission shall make available a copy  
5 of the following documents to any member of the public on request:

6 1. the Tribal gaming ordinance;

7 2. this compact;

8 3. the rules of each covered game operated by the  
9 Tribe; and

10 4. the administrative procedures for addressing  
11 patron tort claims under Part VI of this compact.

12 PART VI. PATRON DISPUTES; TORT CLAIMS; PRIZE CLAIMS; LIMITED

13 CONSENT TO SUIT

14 A. All patron disputes shall be resolved under the  
15 procedures established by Section 11 of the Tribe's Gaming  
16 Ordinance.

17 B. The Tribe shall ensure that a patron of a facility is  
18 afforded due process in seeking and receiving just and reasonable  
19 compensation for a tort claim for personal injury or property  
20 damage against a facility arising out of an incident occurring at a  
21 facility. During the term of this compact, the Tribe shall maintain  
22 public liability insurance for the express purpose of providing  
23 coverage for a tort claim. The insurance must have liability limits  
24 of not less than \$250,000 for any one person and \$500,000 for any  
25 one occurrence for personal injury, and \$100,000 for any one  
26 occurrence for property damage, or the corresponding limits under  
27 Section 101.023(a), Texas Civil Practice and Remedies Code,

1 whichever is greater. A tort claim, including a claim for  
2 compensatory and punitive damages, costs, prejudgment interest,  
3 and attorney's fees arising out of any claim brought or asserted  
4 against the Tribe, its subordinate governmental and economic units,  
5 and any Tribal officials, employees, servants, or agents in their  
6 official capacities, may not be paid in an amount that exceeds the  
7 limits of liability of insurance.

8 C. The Tribe shall ensure that patrons of a facility are  
9 afforded due process in seeking and receiving just and reasonable  
10 compensation arising from a patron's dispute, in connection with  
11 the patron's play of a covered game, the amount of a prize that has  
12 been awarded, the failure to award a prize, or the right to receive  
13 a refund.

14 PART VII. ENFORCEMENT OF COMPACT PROVISIONS

15 A. The Tribe and the commission are responsible for  
16 regulating activities under this compact. The Tribe shall adopt or  
17 issue standards designed to ensure facilities are constructed,  
18 operated, and maintained to adequately protect the environment and  
19 public health and safety.

20 B. A commission compliance officer shall be available to a  
21 facility during operation on reasonable notice and shall have  
22 immediate and complete access to a facility to ensure compliance  
23 with this compact. The commission shall investigate a suspected or  
24 reported violation of this part of this compact and shall timely  
25 file an official written report of the investigation and action  
26 taken on the violation, and shall send a copy of the investigative  
27 report to the SCA not later than the 30th day after the date the

1 commission files the report. The scope of the report must be  
2 determined by a memorandum of understanding between the commission  
3 and the SCA as soon as practicable after the effective date of this  
4 compact. A violation must be reported immediately to the  
5 commission, and the commission shall immediately forward the  
6 violation to the SCA. In addition, the commission shall promptly  
7 report to the SCA a violation which the commission independently  
8 discovers.

9 C. Representatives of the commission and the SCA shall meet  
10 at least once each year to review past practices and examine methods  
11 to improve the regulatory scheme created by this compact. The  
12 meetings shall take place at a location agreed to by the commission  
13 and the SCA. The SCA, before or during a meeting, shall disclose to  
14 the commission any concerns, suspected activities, or pending  
15 matters reasonably believed to constitute a violation of this  
16 compact by any person, organization, or entity, if the disclosure  
17 will not compromise the interest sought to be protected.

18 PART VIII. STATE MONITORING OF COMPACT

19 A. The SCA may, under this compact, monitor the conduct of a  
20 covered game to ensure the covered game is conducted in compliance  
21 with this compact. To properly monitor the conduct of a covered  
22 game, an agent of the SCA may have, without prior notice, reasonable  
23 access to all public areas of a facility where a covered game is  
24 conducted under this compact. An SCA agent must report to a  
25 commission officer immediately on arrival at the facility. An SCA  
26 agent may not enter a nonpublic area of a facility without giving  
27 the commission notice of the agent's arrival 24 hours before the

1 hour of the agent's arrival and, on arrival, providing proper  
2 photographic identification. A commission officer shall accompany  
3 an SCA agent in a nonpublic area of a facility.

4 B. Subject to this compact, an SCA agent has the right to  
5 review and request a copy of a document of the facility related to  
6 the conduct of a covered game. The review and copying of the  
7 document must be during normal business hours unless otherwise  
8 allowed by the Tribe at the Tribe's discretion. The Tribe may not  
9 refuse an inspection or request to copy a document, provided that an  
10 agent cannot require copies of documents in a volume that  
11 unreasonably interferes with the normal functioning of the facility  
12 or a covered game.

13 C. After an SCA inspection or investigation, the SCA shall  
14 send to the commission a written report of the inspection or  
15 investigation that contains all pertinent, nonconfidential,  
16 nonproprietary information about a violation of an applicable law  
17 or this compact discovered during an inspection or investigation  
18 unless disclosure of the information would adversely affect an  
19 investigation of suspected criminal activity. This compact does  
20 not prevent the SCA from contacting a tribal or federal law  
21 enforcement authority about suspected criminal wrongdoing  
22 involving the commission.

23 D. This compact does not authorize the State to regulate the  
24 Tribe's government or the commission or to interfere with the  
25 Tribe's selection of the Tribe's governmental officers or members  
26 of the commission.



1                   PART IX. JURISDICTION

2           The obligations and rights of the State and the Tribe under  
3 this compact are contractual in nature, and this compact does not  
4 alter tribal, federal, or state civil or criminal jurisdiction.

5                   PART X. LICENSING

6           The Tribe and the commission shall comply with the licensing  
7 and hearing requirements in 25 C.F.R. Parts 556 and 558 and  
8 applicable licensing requirements in the Tribe's Gaming Ordinance.

9                   PART XI. PAYMENTS TO THE STATE OF TEXAS

10          A. The parties acknowledge and recognize that this compact  
11 provides the Tribe with substantial exclusivity and, consistent  
12 with the goals of the IGRA, special opportunities for tribal  
13 economic opportunity through covered gaming activity in the State.  
14 In consideration of the substantial exclusivity, only while the  
15 State does not, after January 1, 2022, authorize or allow the  
16 operation of any additional form of gaming, including slot  
17 machines, video lottery terminals, video pull-tab games,  
18 electronic bingo, banked and banking card games, or another type of  
19 table gaming game, not otherwise authorized under state law on that  
20 date within 200 miles of the boundary of the Tribe's reservation,  
21 the Tribe agrees to pay the State a percentage of the revenue  
22 derived from covered game revenues in an amount equal to three  
23 percent of the net win received by the Tribe in a calendar year from  
24 the play of Class III covered games. The amount is due and payable  
25 not later than the 20th day after the last date of the preceding  
26 quarter for the revenue received by the Tribe in the preceding  
27 quarter.

1       B. Payment of revenue due under Part XI.A of this compact  
2 must be made to the comptroller of public accounts of the State.  
3 Nothing in this compact allocates the revenue to a particular State  
4 purpose, including regulatory responsibilities under this compact.

5       C. This compact does not authorize the State to impose any  
6 tax, fee, charge, or assessment on the Tribe or an enterprise of the  
7 Tribe.

8                   PART XII. DISPUTE RESOLUTION

9       A dispute under this compact, including a dispute over  
10 compliance with or the interpretation of the terms of this compact,  
11 must be resolved amicably and voluntarily when possible. In  
12 pursuit of this goal, the following procedures may be invoked:

13           A. A party asserting noncompliance or seeking an  
14 interpretation of this compact first shall serve written notice on  
15 the other party. The notice must identify the provision alleged to  
16 have been violated or in dispute and must specify in detail the  
17 factual basis for the claim. Representatives of the Tribe and State  
18 shall meet in an effort to resolve the dispute not later than the  
19 30th day after the date notice is received unless the parties agree  
20 to extend the time.

21           B. A party asserting noncompliance or seeking an  
22 interpretation of this compact is considered to have certified that  
23 to the best of the party's knowledge, information, and belief,  
24 formed after reasonable inquiry, the claim of noncompliance or the  
25 request for interpretation of this compact is warranted and made in  
26 good faith and not for any improper purpose, such as to harass or to  
27 cause unnecessary delay or expense to resolve the dispute.

1           C. If the parties are unable to resolve a dispute  
2 through the process specified in Part XII.A of this compact, either  
3 party can call for mediation under the Commercial Arbitration Rules  
4 and Mediation Procedures of the American Arbitration Association  
5 (AAA) or any such successor procedures, provided that the mediation  
6 does not last more than 15 calendar days unless the parties agree to  
7 an extension to this time limit. Mediation is only available for  
8 resolving disputes over matters arising under this compact.

9           D. If the parties are unable to resolve a dispute  
10 through the process under Parts XII.A and XII.C of this compact,  
11 notwithstanding any other provision of law, the State or Tribe may  
12 bring an action in federal district court ("federal court")  
13 regarding any dispute arising under this compact in a district in  
14 which the federal court has venue. If the federal court declines to  
15 exercise jurisdiction, or federal precedent exists that rules that  
16 the federal court does not have jurisdiction over the dispute, the  
17 State or the Tribe may bring the action in state court. The State  
18 and the Tribe are entitled to all rights of appeal permitted by law  
19 in the court system in which the action is brought.

20           E. For purposes of an action based solely on a dispute  
21 between the State and the Tribe that arises under this compact and  
22 the enforcement of any judgment resulting from the action, the  
23 State and the Tribe expressly waive the right to assert sovereign  
24 immunity from suit and from enforcement of any judgment, and  
25 consent to be sued in all levels of federal or state court, provided  
26 that:

27           1. the dispute is limited solely to issues

1 arising under this compact;

2 2. the action does not include a claim for  
3 monetary damages, other than payment of any money required by the  
4 terms of this compact, and injunctive relief or specific  
5 performance enforcing a provision of this compact requiring the  
6 payment of money to the State may be sought; and

7 3. nothing in this compact may be construed to  
8 constitute a waiver of the sovereign immunity of the State or the  
9 Tribe with respect to a third party that is made a party or  
10 intervenes as a party in an action.

11 F. In the event that intervention, joinder, or other  
12 participation by a third party in any action between the State and  
13 the Tribe would result in the waiver of the State's or the Tribe's  
14 sovereign immunity to the third party's claim, the waiver of the  
15 State or the Tribe under this compact may be revoked.

16 G. The State may pursue any mediation or judicial  
17 remedy against the Tribe if the State failed to exhaust Tribal  
18 administrative remedies.

19 H. Notwithstanding anything to the contrary in this  
20 part of this compact, the Tribe's failure to remit a payment under  
21 this compact entitles the State to seek injunctive relief in  
22 federal or state court, at the State's sole discretion, to compel  
23 the payments after exhausting the dispute resolution process in  
24 this part of this compact.

25 PART XIII. CONSTRUCTION OF COMPACT; SEVERANCE; FEDERAL APPROVAL

26 A. Each provision, section, and subsection of this compact  
27 shall stand separate and independent of every other provision. If a

1 federal district court in Texas or other court of competent  
2 jurisdiction finds a provision of this compact to be invalid, the  
3 remaining provisions of this compact remain in full force and  
4 effect, provided that severing the invalidated provision does not  
5 undermine the overall intent of the parties in entering into this  
6 compact.

7 B. This compact is intended to meet the requirements of the  
8 IGRA on the effective date of this compact, and where reference is  
9 made to the IGRA, or to an implementing regulation of the IGRA, the  
10 reference is considered to be incorporated into this document as if  
11 set in full. Changes to the IGRA after the effective date of this  
12 compact that diminish the rights of the State or Tribe may not be  
13 applied to alter the terms of this compact, except to the extent  
14 that federal law mandates that retroactive application without the  
15 respective consent of the State or Tribe.

16 C. The presence or absence of language in this compact that  
17 is present in or absent from another compact between a state and  
18 another Indian tribe may not be a factor in construing the terms of  
19 this compact.

20 D. Each party shall defend the validity of this compact.

21 E. On execution of this compact, the Tribe shall submit the  
22 compact to the United States secretary of the interior, and the  
23 parties shall cooperate in seeking the secretary's approval of this  
24 compact.

25 F. Nothing in this compact may be construed to limit,  
26 restrict, or regulate the Tribe's right to offer Class I and Class  
27 II gaming as authorized under the IGRA.

1                    PART XIV. NOTICES

2            A notice required under this compact must be given by  
3 certified mail, return receipt requested, commercial overnight  
4 courier service, or personal delivery, to:

5                    Governor

6                    State of Texas

7                    State Insurance Building

8                    1100 San Jacinto

9                    Austin, TX 78701

10                   Chairman - Tribal Council

11                   Kickapoo Traditional Tribe of Texas

12                   HCR1 9700

13                   Eagle Pass, TX 78852

14            With copies to the general counsel for each party.

15                   PART XV. EFFECTIVE DATE AND TERM

16            A. This compact is effective on approval either by the  
17 United States secretary of the interior as a tribal-state compact  
18 under the IGRA or by operation of law and on publication of the  
19 notice of approval in the Federal Register.

20            B. This compact has a term of 25 years beginning on the day  
21 the compact becomes effective under Part XV.A of this compact. This  
22 compact remains in full force and effect until the earlier of the  
23 25th anniversary of the day the compact becomes effective or until  
24 terminated by agreement of the parties. If either the State or the  
25 Tribe wishes to extend the term of this compact, the party shall  
26 notify the other at least 18 months before the date that this  
27 compact will expire. The parties shall begin negotiations at least

1 12 months before the term expires.

2 PART XVI. AMENDMENT OF COMPACT

3 Amendment of this compact may be made only by written  
4 agreement of the parties, subject to approval either by the United  
5 States secretary of the interior or by operation of law, and is  
6 effective on publication of the notice of approval in the Federal  
7 Register.

8 PART XVII. MISCELLANEOUS

9 A. Except to the extent expressly provided in this compact,  
10 this compact does not create a right for a third party to bring an  
11 action to enforce a term of this compact.

12 B. Nothing in this compact shall alter any existing  
13 memoranda of understanding, contracts, or other agreements entered  
14 into between the Tribe and any other federal, state, or local  
15 governmental entity.

16 PART XVIII. EXECUTION

17 The chairman of the Tribal Council of the Kickapoo  
18 Traditional Tribe of Texas affirms that the chairman is duly  
19 authorized and has the authority to execute this compact on behalf  
20 of the Tribe. The chairman also affirms that the chairman will take  
21 all appropriate steps to effectuate the purposes and intent of this  
22 compact.

23 (e) The secretary of state may adopt rules necessary for  
24 this state to carry out its responsibilities under this section  
25 unless the Legislature enacts laws authorizing another state agency  
26 to administer this section. The rules may not apply to the tribe.

27 (f) All shipments of gaming equipment or other gaming

1 devices into, out of, or within this state authorized under this  
2 section or a law enacted under this section are legal shipments of  
3 the devices and are exempt from the provisions of 15 U.S.C. Sections  
4 1171-1178 prohibiting the transportation of gambling devices.

5 SECTION 3. This proposed constitutional amendment shall be  
6 submitted to the voters at an election to be held November 2, 2021.  
7 The ballot shall be printed to permit voting for or against the  
8 proposition: "The constitutional amendment authorizing the  
9 operation of casino gaming in certain state coastal areas to  
10 provide additional money for residual windstorm insurance coverage  
11 and catastrophic flooding assistance in those areas and authorizing  
12 the Kickapoo Traditional Tribe of Texas to conduct casino gaming by  
13 executing a gaming compact with this state."